

Item #2 of the Agenda of the OJSC MMK Extraordinary General Shareholders' Meeting

“Reorganization of OJSC MMK in the Form of a Merger of ZAO MMK-KAPITAL into OJSC MMK”:

Draft Resolution:

It is hereby resolved:

1. To reorganize Open Joint Stock Company Magnitogorsk Iron and Steel Works (hereinafter, OJSC MMK), Ul.Kirova 93, Magnitogorsk, 455000, Chelyabinsk Region, Russia (primary state registration number #1027402166835) by merging with Closed Joint Stock Company MMK-KAPITAL (hereinafter, CJSC MMK-KAPITAL), Ul. Zavenyagina 9, Magnitogorsk, 455049, Chelyabinsk Region, Russia (primary state registration number #1077445002084), in which MMK OJSC owns 100% of shares, with transfer of all the rights and obligations of CJSC MMK-KAPITAL to MMK OJSC and termination of the activities of CJSC MMK-KAPITAL as such.
2. To designate OJSC MMK as the transferee and successor of CJSC MMK-KAPITAL with respect to all the rights and obligations of the latter.
3. As OJSC MMK owns 100% of placed shares in CJSC MMK-KAPITAL, it shall be determined that:
 - Registered ordinary shares of CJSC MMK-KAPITAL owned by MMK OJSC shall not be converted into shares of OAO MMK;
 - All registered ordinary shares of ZAO RFZ owned by MMK OJSC and not subject to conversion, shall be cancelled at the moment of making an entry in the Uniform State Register of Legal Entities regarding the termination of activities of the merged CJSC MMK-KAPITAL;
 - All OJSC MMK's shares held by CJSC MMK-KAPITAL shall be cancelled upon the Company's reorganization in the form of the merger of CJSC MMK-KAPITAL into OJSC MMK, in accordance with the Merger Agreement, with OJSC MMK's authorized capital decreasing by the par value of the shares cancelled as a result of the above merger.
4. To approve the Merger Agreement between OJSC MMK and CJSC MMK-KAPITAL.
5. Following the approval of the Report on the Results of Shares Cancellation by the Board of Directors of OJSC MMK, to amend OJSC MMK's Charter as follows:
 - Paragraph 4.1 of Article 4 of the Company's Charter shall be revised to read as follows: “4.1 The Company's authorized capital totals RUR 11,174,330,000 (eleven billion one hundred and seventy four million three hundred and thirty thousand roubles).”
 - Paragraph 4.2 of Article 4 of the Company's Charter shall be revised to read as follows: “4.2 The Company's authorized capital is comprised of the par value of 11,174,330,000 (eleven billion one hundred and seventy four million three hundred and thirty thousand) ordinary registered shares, with a par value of 1 (one) rouble each”.
 - Subparagraph 1 of Paragraph 4.3 of Article 4 of the Company's Charter shall be revised to read as follows:

“The number of the Company's placed shares is 11,174,330,000 (eleven billion one hundred and seventy four million three hundred and thirty thousand) ordinary registered shares.”

6. To instruct OJSC MMK's individual executive body to sign the agreement on the merger of CJSC MMK-KAPITAL into OJSC MMK and take all the necessary steps pertaining to the above merger.